

VZCZCXRO1413
PP RUEHROV
DE RUEHMS #0036/01 0141355
ZNR UUUUU ZZH
P 141355Z JAN 08
FM AMEMBASSY MUSCAT
TO RUEHC/SECSTATE WASHDC PRIORITY 9149
INFO RUEHXX/ARAB ISRAELI COLLECTIVE
RHEHNSC/NSC WASHDC

UNCLAS SECTION 01 OF 03 MUSCAT 000036

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E.O. 12958: N/A
TAGS: [PREL](#) [KPAL](#) [IR](#) [MU](#)
SUBJECT: OMANI FOREIGN MINISTER REVIEWS PEACE PROCESS, IRAN
POLICY WITH CODEL PRICE

SUMMARY

¶1. (SBU) In a January 8 meeting with a visiting U.S. Congressional delegation, Oman's Minister Responsible for Foreign Affairs praised close U.S.-Oman ties and the two countries' "strategic" relationship. He applauded President Bush's renewed push to help create a Palestinian state, but feared that Israeli foot-dragging would result in the peace process "starting from scratch" after the President left office. Declaring that the time to end the Israeli-Palestinian conflict was "now," he urged the U.S. to use its leverage to encourage Israel to take bold steps for peace. Palestinian President Abbas, he asserted, was ready to sign and implement a final status agreement, which would be the best guarantor of Israel's future security. The Minister stated that Iran wished to keep the Strait of Hormuz open out of its own national interests, and predicted that Tehran would not back down on its nuclear policies, despite the negative impact of international sanctions, as long as it felt threatened by the West. He did not believe that Iran would ever use a nuclear weapon even if it were to acquire one, and characterized radical statements by Iranian leaders as mere propaganda. End Summary.

"STRATEGIC" U.S.-OMAN RELATIONSHIP

¶2. (U) On January 8, the Ambassador and a U.S. Congressional delegation (CODEL) led by Representative David Price (R-NC) met with Omani Minister Responsible for Foreign Affairs Yusef bin Alawi prior to dinner January 8 to discuss bilateral ties, recent developments in the Israeli-Palestinian conflict and Iran. Other CODEL members (in addition to staff) in attendance were: Representative Harold Rogers (R-KY), Representative James Moran (D-VA), Representative Dennis Rehberg (R-MT), Representative Eleanor Holmes Norton (D-D.C.), and Representative Michael Simpson (R-ID).

¶3. (SBU) After welcoming the CODEL, Bin Alawi emphasized the "deep, strong" relations between the U.S. and Oman. "This is not a normal relationship," he explained, "but a strategic one." While noting that these strong ties did not preclude differences of opinion, Bin Alawi added that such disagreements were "between friends" and reflected a healthy candor in the bilateral dialogue.

THE TIME FOR MIDDLE EAST PEACE IS "NOW"

¶4. (SBU) Turning to the Middle East peace process in response to a question from Rep. Price, bin Alawi confirmed Oman's strong support for efforts to achieve reconciliation

between Israelis and Palestinians, but cautioned that these efforts were still at a "basic stage." He commended President Bush for being "very courageous" in publicly recognizing early-on the need for a two-state solution to the conflict. Bin Alawi commented that many Israelis and Palestinians appeared to have gradually accepted this principle over the past years, which represented genuine progress. Still, he warned, it would be "very difficult" to push the peace process further forward before the close of the Bush administration.

15. (SBU) Bin Alawi also praised the U.S. for seeking to secure Arab support for its renewed push to end the Israeli-Palestinian conflict, and mentioned that "some Arab statesman" were favorably surprised by the President's remarks at the Annapolis conference. Noting that Israeli PM Olmert had said "some good things," bin Alawi nevertheless claimed that "some Israeli leaders" were not prepared to discuss final status issues necessary to create a Palestinian state, and were instead insistent on building "even more facts on the ground" (i.e., settlements). Furthermore, while Israel often appeared to be supportive of making genuine progress in achieving peace, this was usually more talk than action. Bin Alawi said he feared that when a new U.S. president assumed office next year, the peace process might have to "start from scratch."

16. (SBU) The opportunity to create a Palestinian state, bin Alawi stressed, was now. The Minister said it was impossible to predict how a new generation of Arabs unaccustomed to peace would react to a continuation of the Palestinian-Israeli conflict, although he hoped they would reject violence. What was needed above anything else at present, he continued, was an Israeli leader who would

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"follow the path of (former Prime Minister) Begin" by taking a brave stand and "making peace." Palestinian Authority President Mahmoud Abbas was ready to sign a peace deal, bin Alawi asserted, and was also prepared to fulfill any resulting Palestinian commitments needed to reach such an agreement. He argued that Abbas had complied with Palestinian roadmap obligations despite the "unhelpful" actions of Israeli Defense Forces, and further noted that it was "impossible" for all Palestinians to agree to peace terms, just like some Israeli factions refused to support a peace settlement. Emphasizing once again that "time is short," bin Alawi said he hoped President Bush would use U.S. "leverage," even in light of American "political constraints," to help convince Israel to take the steps needed to bring an end to the conflict.

ISRAELI SECURITY = PALESTINIAN STATE

17. (SBU) Asked how Iran fit into the peace process, bin Alawi prefaced his remarks by stating that the Iranian regime was "not naive, but sophisticated." He said that Tehran believed that negotiations between Israel and the Palestinians were not producing results and did not want "to be associated with failure." Bin Alawi added, however, that if Israel showed a "serious commitment" to withdraw from occupied Palestinian territory, Iran could drop its opposition to peace efforts.

18. (SBU) Regarding Israel's security needs, the Minister stated that no Arab government -- as opposed to "non-government" organizations -- posed any threat to Israel. Given instability and terrorist plots in Lebanon, Saudi Arabia and elsewhere, bin Alawi proffered that the "best thing" that Israel could do to strengthen its security would be to "unite" with other nations of the region to help create a successful Palestinian state and to fight terrorism. He underscored that Israel's enemies were also the enemies of Israel's Arab neighbors and that combating them could best be

done together. Bin Alawi acknowledged that Israel did have to live with a "limited threat," including rocket attacks from Gaza (which he claimed were not a "major" concern in the overall scope of things), but asserted that there was no such thing as a "zero threat" environment. He added that Israel's present course of action would not improve its security.

IRAN WANTS STRAIT TO REMAIN OPEN

¶9. (SBU) Responding to a question on security in the Strait of Hormuz, bin Alawi stated that Iran, in keeping with its "fairly cautious" nature, did not want to cause any "flare-up" that could trigger a conflict in this vital waterway. The reported January 6 incident between U.S. navy vessels and Iranian boats in the strait was likely just "political propaganda" and perhaps designed to make a statement prior to President's Bush visit to the Gulf region. Bin Alawi contended that the Iranian armed forces generally "behave in a fair and proper way," although he could not say the same thing about the Iranian Revolutionary Guard Corps (IRGC).

¶10. (SBU) The Minister explained it was in Iran's direct national interest for the Strait of Hormuz to remain open, in part to keep its own oil exports flowing, and that the Iranians did not yet appear to be trying to develop alternate port facilities in the Gulf of Oman outside the strait. In any event, bin Alawi pointed out, closing the strait is physically very hard to do -- even sinking a tanker in the deep water would not shut down the shipping lanes. The Minister also did not believe that Iran had any intention of infringing on Omani territorial waters. "War, of course, could change all this," added bin Alawi.

PARTNERS, NOT "CLIENTS"

¶11. (SBU) Bin Alawi advised the CODEL that the next U.S. president should seek to work in genuine partnership with regional friends such as Oman, rather than view them as "clients." It was "not acceptable," he stressed, for the U.S. to announce a policy in Washington and then expect Oman and other nations to follow it. Such a heavy-handed approach was "insulting" and made the younger generation, in particular, "furious." Bin Alawi approvingly noted that the current U.S. administration's foreign policies had "evolved" towards more engagement with Arab countries and he hoped this

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trend would continue. The Minister speculated that "some" in the U.S. might resist a "true partnership" with moderate Arab states, but asserted that this was sorely needed and would strengthen the U.S. position in the region. Asked whether he was suggesting a NATO-type of partnership between the U.S. and certain Arab countries, the Minister said that such an alliance was not necessary as the foundation elements for a stronger Arab-American partnership, e.g., strong bilateral security agreements, trade agreements, formal and informal dialogue, etc., were already in place.

IRAN WON'T BACK DOWN UNDER PRESSURE

¶12. (SBU) "Iran will remain Iran," bin Alawi stated, and would never accept being treated as a client state or with disrespect. He said that Iran was pursuing nuclear technology because it felt that it was being "ignored" by the West and that the U.S. viewed it as an "enemy." International sanctions only increased Tehran's perception that it was "under threat." Referring to the recent U.S. National Intelligence Estimate (NIE), bin Alawi suggested that Iran may have suspended its alleged nuclear weapons

program in 2003 because the U.S. invasion of Iraq had ended Tehran's conflict with Baghdad and, accordingly, lessened the Iranians' sense of being threatened.

¶13. (SBU) Underlying policy-making in Tehran was a belief by many Iranians that the West still does not truly recognize the legitimacy of the 1979 revolution and wants to topple the current regime, the Minister related. He emphasized that Iran would "stand fast" on its policies and would not back down under pressure, even though it was being hurt by international sanctions (which it was seeking to circumvent). The Iranian people, including the younger generation, "will follow their leaders wherever they go."

¶14. (SBU) Asked if Iran would ever use a nuclear weapon, bin Alawi replied that if Tehran were to acquire such a weapon, it would be as a deterrent only. He stated he believed that Iran had decided not to pursue "full scale nuclear development," but was interested in acquiring nuclear "know-how" as long as it felt threatened by the West. Bin Alawi continued that Iran was a big country and did not need nuclear weapons to threaten its neighbors if it wanted to. Radical statements by Iranian President Ahmadinejad and other Iranian leaders were for show and/or propaganda purposes only, the Minister asserted.

¶15. (SBU) In concluding the meeting, Representative Price thanked the Minister for sharing his views and expressed appreciation for Oman's cooperation with the U.S. Bin Alawi again stressed the importance of U.S.-Oman ties and welcomed future consultations with members of the U.S. Congress.

¶16. (U) CODEL Price did not have the opportunity to clear this message.
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